

**MINUTES  
EAGAR TOWN COUNCIL  
REGULAR MEETING  
22 W. 2<sup>nd</sup> St., Eagar, AZ  
May 3, 2011 – 7:00 P.M.**

Mayor Kim Holaway called the regular council meeting to order and welcomed those present. Mayor Holaway said to let the record show that all council members are present. Mayor Holaway led the Pledge of Allegiance and Gary Finch offered the invocation.

COUNCIL PRESENT:        Kim Holaway, Mayor  
                                 James Nelson, Jr., Vice-Mayor  
                                 Byron Smith  
                                 Gary Finch  
                                 Steve Erhart  
                                 Tim Rasmussen  
                                 Debbie Rogers

STAFF PRESENT:        Bruce Ray, Community Development Director  
                                 Eva Wilson, Town Clerk  
                                 Mike Hogan, Police Chief  
                                 Katie Wood, Finance Administrator  
                                 Steve Christensen, Public Works Administrator

**ITEM #6: OPEN CALL TO THE PUBLIC**

Mayor Kim Holaway moved up the Open Call to the Public in the agenda sequence.

Apache County Manager Delwin Wengert addressed the Council and gave an update on the status of Lyman Lake State Park. Lyman Lake State Park was proposed to close last year due to lack of funding to State Parks. Apache County with participation of the power plants and the local towns was able to collect the \$40,000 to keep the park open for a few months in the summer.

The County again would like to keep the park open and this year the necessary funding has dropped to \$20,800 to open the park from June 12 – October 17, 2011. The County has already signed an agreement with the State to keep the park open. The park will open regardless if the towns or power plants participate in the funding. Tucson Electric Power has committed \$5,000 and it is expected that Salt River Project will commit \$5,000. The County has committed funding, and they are asking for as much help as possible and would like the Town of Eagar to commit \$1,000.

The State Parks had conducted an economic impact study on Lyman Lake five years ago and it was reported that the park generated \$2 million to the local communities when it was open year around. It is probably \$1.5 million during the summer months.

Chamber Director Becki Christensen reported that there were approximately fifty people present at the business summit; surveys were collected and a second survey will be distributed to those that did not attend. Mayor Holaway can distribute the results to the Council; this survey is important because it shows what the businesses are thinking and what other businesses are wanted in town.

On May 19<sup>th</sup> the Chamber Mixer will be held from 11:30 a.m. to 1:00 p.m. and some Microsoft Software and a Microsoft Operating System will be given away.

## **ITEM #5: SUMMARY OF CURRENT EVENTS**

### **A. MAYOR**

Mayor Kim Holaway reported on the Centennial Park project stating that Councilor Gary Finch helped with pouring of concrete and Councilor Steve Erhart is making tables and benches. All Councilors have been involved with various steps of the project. She also commended the Town personal that have helped.

The family memorial paver blocks are ready for sale. The 12x12 pavers are for those families that have been in southern Apache County for at least a hundred years. There are also 4x8 and 8x8 pavers.

Seventy trees are ordered for Main Street and the Centennial Park. Planting may start this week when the trees come in.

Mayor Holaway deemed the Business Summit Meeting a success.

The Boys and Girls Club held interviews and hired a director; Tami Jo Anders has accepted the position.

### **B. COUNCIL**

Councilor Gary Finch reported that he attended the urban lake ground breaking yesterday. Unfortunately NAVIT only has one more week to work if they can because of some bones found on the site. NAVIT can finish the two and a half acre project about this time next year.

Councilor Debbie Rogers reported that she attended the Outdoor Rendezvous and it was a surprisingly big success. Everyone seemed to be very pleased on the turn out and the activities; the Dutch Oven Cook Off sponsored by Cowboy Up was a huge success with about 100 participants – just need to get more locals out. Had approximately 300 people at the banquet. Citizens for Multiple Land Use and Access sold drinks and were able to make a profit there. All the vendors did well, and there were many participants for the events. This will probably turn into an annual event with winners of the big game trophy contest coming from New York and Kansas to claim their prizes. This had a good impact on the community.

Ride Now donated a Polaris Ranger for the Grand Prize, Discount Tire donated \$4,000 in prizes and they are on board for a future event.

Councilor Tim Rasmussen reported that the Cemetery Committee met to discuss some changes on the code. Signs were ordered for the named sections of the cemetery and public works will put the signs up when they come in.

A Pitch In-Clean Up Committee meeting was held today. They will meet tomorrow to look for addresses for a Yard of the Month. If anyone has nominations they can contact Councilor Rasmussen or Councilor Rogers. Will start placing planters on Main Street. On the 21<sup>st</sup> a workday is scheduled for the Centennial Park and they are hoping there will be a surplus of volunteers that can help plant flowers in the planters. On Saturday, May 14<sup>th</sup>, they are scheduled to work with two Eagle Scouts to put in the drip and sprinkler systems at Centennial Park.

Councilor Rasmussen stated that the Shining Star is accepting nominations and if anyone has recommendations they can contact Councilor Rasmussen or Councilor Rogers.

#### C. STAFF

Interim Public Works Director Steve Christensen wanted to commend the public works crews for their work on the Centennial Park. Other crews are busy on water and sewer projects. Crews also plan to perform some patching on Water Canyon Road. Mr. Christensen reported that he is working on the capital improvement project budget and is accepting recommendations for street improvement priorities.

Councilor Rogers stated that Arizona Department of Transportation (ADOT) is performing road construction this summer on Highway 260 and may have some unused millings that the Town could purchase and use for some of the road projects. Mr. Christensen stated that he has been in contact with ADOT about this possibility.

#### **ITEM #7: CONSENT AGENDA**

##### APPROVAL OF MINUTES OF EAGAR TOWN COUNCIL MEETINGS HELD APRIL 2011

##### APPROVAL OF MARCH 2011 BANK TRANSMITTALS 1-23 NATIONAL BANK OF AZ CHECKS WRITTEN FROM 29385-30046, PAYROLL DIRECT DEPOSIT VOUCHERS 3101101-3241136, CARD MEMBER SERVICE CREDIT CARD PURCHASES

Councilor Steve Erhart moved to approve the Consent Agenda as presented. Vice-Mayor James Nelson, Jr. seconded; six were in favor, Councilor Tim Rasmussen was opposed, motion carried.  
6-1

**ITEM #8: UNFINISHED BUSINESS**

**A. DISCUSSION AND CONSIDERATION OF MARCH FINANCIAL REPORT, AND TOWN'S SALES TAX REVENUE REPORT**

Finance Administrator Katie Wood reported that she is waiting on approximately \$144,000 in grant reimbursements, and the Town has received and expended approximately \$139,000 in grant funding.

Councilor Steve Erhart inquired about paying off some of the smaller notes this fiscal year. Ms. Wood stated that there recently was a pay off for the Kennedy Well. Ms. Wood has not had any other directive to pay off dept this fiscal year that was not budgeted. Councilor Erhart would like to see some of the smaller notes paid off and would like Ms. Wood to recommend and submit a list of those debts that could be paid and would be most advantages to pay off by end of fiscal year. There was discussion whether reserve funds could be used or if there is a surplus in the current budget to cover these costs. Council asked that this item be presented on a future agenda.

Ms. Wood stated that the best-case scenario for her would be to plan the pay off of debt next fiscal year and that we don't use the reserve funds.

Mayor Holaway reported that Bashas' had reported higher sales this week than the week before Easter.

**B. DISCUSSION AND CONSIDERATION OF ANY ACTION TO BE TAKEN ON LEGISLATIVE ISSUES**

Mayor Holaway reported that the legislative session has closed. SB1322-Managed Competition targeted Phoenix and Tucson and required that they go out to bid for larger projects; this bill was vetoed by Governor Brewer as there was speculation that this type of legislation would be reintroduced next year and would impact all other municipalities. The bill regulating guns in public places was vetoed. The impact fee legislation was approved as amended. Community Development Director Bruce Ray stated that he would like to bring the impact fee issue back to the Council.

**ITEM #9: NEW BUSINESS**

**A. DISCUSSION AND CONSIDERATION OF RESOLUTION 2011-05 AMENDING THE TOWN OF EAGAR FEE SCHEDULE AS IT PERTAINS TO THE CEMETERY**

Assistant Town Clerk Marion Wiltbank presented Resolution 2011-05 recommending changes to the cemetery fee schedule. Fees recommended are for the cost of burial in a double depth lawn crypt, opening and closing for double depth lawn crypts, price of mandatory vaults, disinterment fees for double depth lawn crypts, and a fee for setting headstones. These are cost recovery fees and not intended to make the Town a profit.

Vice-Mayor James Nelson, Jr. moved to approve Resolution 2011-05 amending the Town of Eagar Fee Schedule as it pertains to the cemetery. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 7-0

**B. DISCUSSION AND CONSIDERATION OF THE CHAMBER AGREEMENT**

The Council had sent a letter to the Springerville-Eagar Chamber of Commerce listing the services that the Eagar Council would like the Chamber to provide. The Chamber Board responded with a letter dated November 30, 2010 approving all but two of the listed suggestions. Mayor Holaway suggested that a formal agreement be written.

Ms. Christensen stated that the Chamber has been providing and still provides the majority of services that were listed. Chamber Director Becki Christensen added that the funding for the Visitor Guide to be printed is obtained from the Chamber members who advertise in the guide. A PowerPoint presentation will be emailed to the Councilors regarding how and where the Chamber receives their funding.

Councilor Steve Erhart suggested that the list was from last year and it needs updated. Councilor Erhart added that he understands that the Visitor Guide is paid for by the Chamber members and that there are a lot of businesses in Round Valley that are not members of the Chamber and there is no directory of all the businesses available. The funds that Eagar gives to the Chamber comes from all citizens, not just Chamber members. Ms. Christensen stated that she does have a directory with a majority of all the businesses in the community and she is not opposed to promoting all businesses, however she has not posted or promoted that list because she takes direction from her Board.

Councilor Erhart stated that there might be more Chamber members if the Chamber would revise the member fees. Ms. Christensen understands the dilemma of not promoting all businesses and understands that fees may need revised however the Chamber also needs to have funds to operate.

It is recommended that a contract or memorandum be drafted between the Town of Eagar and the Chamber (will need to consult with the town attorney to determine which document to utilize due to the amount of funding contributed to the Chamber).

Mayor Holaway asked the Council if she wanted Eagar's Chamber liaison, Councilor Byron Smith to take to the Chamber Board the possibility of allowing non-Chamber members to have an advertisement in the Visitor's Guide – even if its for a different advertising rate than Chamber members. The Council agreed.

**C. DISCUSSION AND CONSIDERATION OF ECONOMIC DEVELOPMENT FUNDING**

Mayor Holaway explained that each community participating in the Housing and Urban Development (HUD) grant would receive \$5,000 for the purpose of economic development each year for three years. The beneficiaries that are recommended by Mr. Greenwood to receive a contribution from that money include:

- Northern Arizona Wood Products Association (NAWPA) - \$400
- Real AZ Branding Campaign - \$2,000
- Lyman Lake State Park - \$1,000

Councilor Debbie Rogers stated that she has attended meetings regarding the Real AZ Branding Campaign and she does not feel that the Campaign would have a direct economic impact on Eagar. She agrees that a contribution to Lyman Lake would be appropriate. She would like to see the funds go to endeavors that truly have an economic benefit to Eagar.

Councilor Gary Finch does not agree with contributing to NAWPA for the Forest Restoration Partnership because the contribution will be given to the Forest Service to put in a trust account. The Forest Service being a federal government agency in charge of the Forest Restoration Partnership and its projects have made the project financially upside down and screwed up. The Forest Service has done nothing but screw things up for over twenty years. The private sector used to be able to conduct forest projects and make it a profitable endeavor. Now the Forest Service takes millions of dollars and still fails to complete projects with their funding. Councilor Finch is against contributing any funds to the Forest Service.

Councilor Erhart commented since he is on the Stewardship Monitoring Board. The Forest Service budget has been cut and to maintain the contract that Walker Brothers has not finished, the White Mountain Stewardship Project must ask for donations to supplement the budget to be able to finish the contract. They are asking everybody for donations. Four Forest Restoration Initiative is trying to start up and that project is over 50,000 acres, if the Forest Service doesn't have enough money to cover 5,000-8,000 acres a year how will they pay for 50,000 acres and next year the two projects are expected to overlap. He does not recommend contributing to this endeavor until more information on the funding of these two projects is available.

The Four Forest Restoration Initiative will start in Coconino County. Materials from our forest will be used at an OSB plant that will operate in Winslow. Our lumber or industry projects won't even be in Apache County, nor will our citizens benefit from employment.

Vice-Mayor James Nelson, Jr. stated that the motion to contribute does not have to be to all three recommended parties right now.

Vice-Mayor James Nelson, Jr. moved that the Town of Eagar take from the Economic Development Funding \$1,000 to give to the County to open Lyman Lake. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 7-0

D. DISCUSSION AND CONSIDERATION OF THE MANAGERS EVALUATION TIMELINES

Mayor Holaway outlined the timeline for the Town Manager's performance evaluation as:

- Preliminary outline of timeline tonight.

- Executive Session scheduled tonight.
- Manager's self-assessment using the evaluation form.
- Council and Town Manager meet in Executive Session to discuss the Manager's performance and create one document.

There are three council sessions left in the fiscal year and Mayor Holaway wanted to know if the Council wants to complete step four on one of the three council sessions left. Councilor Erhart recommended waiting until the next meeting to decide on the timeline.

- E. EXECUTIVE SESSION AS ALLOWED BY A.R.S. § 38-431.03.A.1. - DISCUSSION OR CONSIDERATION OF EMPLOYMENT, ASSIGNMENT, APPOINTMENT, PROMOTION, DEMOTION, DISMISSAL, SALARIES, DISCIPLINING OR RESIGNATION OF A PUBLIC OFFICER, APPOINTEE OR EMPLOYEE OF ANY PUBLIC BODY, EXCEPT THAT, WITH THE EXCEPTION OF SALARY DISCUSSIONS, AN OFFICER, APPOINTEE OR EMPLOYEE MAY DEMAND THAT THE DISCUSSION OR CONSIDERATION OCCUR AT A PUBLIC MEETING. THE PUBLIC BODY SHALL PROVIDE THE OFFICER, APPOINTEE OR EMPLOYEE WITH WRITTEN NOTICE OF THE EXECUTIVE SESSION AS IS APPROPRIATE BUT NOT LESS THAN TWENTY-FOUR HOURS FOR THE OFFICER, APPOINTEE OR EMPLOYEE TO DETERMINE WHETHER THE DISCUSSION OR CONSIDERATION SHOULD OCCUR AT A PUBLIC MEETING

Councilor Steve Erhart moved to go into Executive Session at 8:45 p.m. Councilor Gary Finch seconded; all were in favor, motion carried. 7-0

Councilor Gary Finch moved to reconvene into Regular Session at 9:36 p.m. Councilor Debbie Rogers seconded; all were in favor, motion carried. 7-0

#### **ITEM #10: SIGNING OF DOCUMENTS**

Mayor and Councilors signed the Minutes of April 2011. The required signatures were obtained for Resolution 2011-05.

#### **ITEM #11: ADJOURNMENT**

Mayor Kim Holaway moved to adjourn the Regular Session at 9:37 p.m. Councilor Tim Rasmussen seconded; all were in favor, motion carried. 7-0

Attest: \_\_\_\_\_

Mayor: \_\_\_\_\_

Vice-Mayor: \_\_\_\_\_

Eagar Council Regular Session  
May 3, 2011

Council: \_\_\_\_\_

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CERTIFICATION OF COUNCIL MINUTES

I hereby certify that the foregoing minutes are true and correct copy of the  
minutes of the regular session of the Town of Eagar, Arizona held on May 3, 2011.  
I further certify that the meeting was duly called and held and that a quorum was present.

\_\_\_\_\_  
Eva M. Wilson, Town Clerk